

STATE OF SOUTH CAROLINA

250340

South Carolina Electric & Gas Company's Request
for Approval of Contract for Electric Service with
Reclim-SC, LLC

BEFORE THE
PUBLIC SERVICE COMMISSION
OF SOUTH CAROLINA

COVER SHEET

DOCKET

NUMBER: 2014 - 180 - E

(Please type or print)

Submitted by: Matthew W. GissendannerSC Bar Number: 76027Address: SCANA Corp.Telephone: 803-217-5359220 Operation Way, MC-C222Fax: 803-217-7931Cayce, SC 29033-3701

Other: _____

Email: matthew.gissendanner@scana.com

NOTE: The cover sheet and information contained herein neither replaces nor supplements the filing and service of pleadings or other papers as required by law. This form is required for use by the Public Service Commission of South Carolina for the purpose of docketing and must be filled out completely.

DOCKETING INFORMATION (Check all that apply)

- ☐ Emergency Relief demanded in petition ☐ Request for item to be placed on Commission's Agenda expeditiously
- ☐ Other: _____

INDUSTRY (Check one)

NATURE OF ACTION (Check all that apply)

- | | | | |
|--|--|--|--|
| <input checked="" type="checkbox"/> Electric | <input type="checkbox"/> Affidavit | <input type="checkbox"/> Letter | <input checked="" type="checkbox"/> Request |
| <input type="checkbox"/> Electric/Gas | <input type="checkbox"/> Agreement | <input type="checkbox"/> Memorandum | <input type="checkbox"/> Request for Certificatio |
| <input type="checkbox"/> Electric/Telecommunications | <input type="checkbox"/> Answer | <input type="checkbox"/> Motion | <input type="checkbox"/> Request for Investigation |
| <input type="checkbox"/> Electric/Water | <input type="checkbox"/> Appellate Review | <input type="checkbox"/> Objection | <input type="checkbox"/> Resale Agreement |
| <input type="checkbox"/> Electric/Water/Telecom. | <input type="checkbox"/> Application | <input type="checkbox"/> Petition | <input type="checkbox"/> Resale Amendment |
| <input type="checkbox"/> Electric/Water/Sewer | <input type="checkbox"/> Brief | <input type="checkbox"/> Petition for Reconsideration | <input type="checkbox"/> Reservation Letter |
| <input type="checkbox"/> Gas | <input type="checkbox"/> Certificate | <input type="checkbox"/> Petition for Rulemaking | <input type="checkbox"/> Response |
| <input type="checkbox"/> Railroad | <input type="checkbox"/> Comments | <input type="checkbox"/> Petition for Rule to Show Cause | <input type="checkbox"/> Response to Discovery |
| <input type="checkbox"/> Sewer | <input type="checkbox"/> Complaint | <input type="checkbox"/> Petition to Intervene | <input type="checkbox"/> Return to Petition |
| <input type="checkbox"/> Telecommunications | <input type="checkbox"/> Consent Order | <input type="checkbox"/> Petition to Intervene Out of Time | <input type="checkbox"/> Stipulation |
| <input type="checkbox"/> Transportation | <input type="checkbox"/> Discovery | <input type="checkbox"/> Prefiled Testimony | <input type="checkbox"/> Subpoena |
| <input type="checkbox"/> Water | <input type="checkbox"/> Exhibit | <input type="checkbox"/> Promotion | <input type="checkbox"/> Tariff |
| <input type="checkbox"/> Water/Sewer | <input type="checkbox"/> Expedited Consideration | <input type="checkbox"/> Proposed Order | <input type="checkbox"/> Other: |
| <input type="checkbox"/> Administrative Matter | <input type="checkbox"/> Interconnection Agreement | <input type="checkbox"/> Protest | |
| <input type="checkbox"/> Other: | <input type="checkbox"/> Interconnection Amendment | <input type="checkbox"/> Publisher's Affidavit | |
| | <input type="checkbox"/> Late-Filed Exhibit | <input type="checkbox"/> Report | |



Matthew W. Gissendanner
Assistant General Counsel

matthew.gissendanner@scana.com

April 24, 2014

VIA HAND DELIVERY

The Honorable Jocelyn G. Boyd
Chief Clerk/Administrator
Public Service Commission of South Carolina
101 Executive Center Drive
Columbia, South Carolina 29210

RE: South Carolina Electric & Gas Company
Request for Approval of Contract for Electric Service with Recleim-SC, LLC

RECEIVED
2014 APR 24 PM 1:20
PUBLIC SERVICE
COMMISSION

Dear Ms. Boyd:

Pursuant to 10 S.C. Code Ann. Regs. 103-303 (2012), South Carolina Electric & Gas Company ("SCE&G" or "Company") hereby files and seeks approval of a Contract for Electric Service ("Contract") between SCE&G and Recleim-SC, LLC, ("Recleim") with such approval to be made effective as of March 12, 2014. The Contract continues for ten (10) years from the date of service, unless an early termination is mutually agreed upon by the parties. The Contract is automatically extended thereafter until terminated by either party.

Recleim is a start-up recycler of appliances and e-waste materials, specializing in resource recovery from appliances, white goods and electronic waste, and in environmentally-sound disposal of hazardous components. The Contract is related to Recleim's decision to establish its first recycling facility in the former Hickman Mill plant at 118 Hard Street in Graniteville in Aiken County. Recleim is updating the 110,000-square foot building to accommodate three production lines and plans to open the facility in the summer of 2014. Recleim expects to invest \$40.6 million and create 200 new jobs in Graniteville.

Due to the commercial sensitivity and proprietary nature of certain provisions of this Contract as well as the highly competitive nature of the industry in which Recleim operates, the Company and Recleim respectfully request that the Public Service Commission of South Carolina ("Commission") find that the Contract contains protected information and issue a protective order barring the disclosure of this Contract under the Freedom of Information Act, S.C. Code Ann. §§ 30-4-10 *et seq.*, 10 S.C. Code Ann. Regs. 103-804(S)(1), or any other provision of law. Pursuant to 10 S.C. Code Ann. Regs. 103-804(S)(2), the determination of whether a document may be exempt from disclosure is within the Commission's discretion.

To this end, and in accordance with Commission Order No. 2005-226, dated May 6, 2005, in Docket No. 2005-83-A, we enclose with this letter a redacted version of the Contract

The Honorable Jocelyn G. Boyd

April 24, 2014

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that protects from disclosure the sensitive, proprietary and commercially valuable information, while making available for public viewing non-protected information. We also enclose a copy of the unredacted Contract in a separate, sealed envelope and respectfully request that, in the event that anyone should seek disclosure of this unredacted Contract, the Commission notify SCE&G of such request and provide it with an opportunity to obtain an order from this Commission or a court of competent jurisdiction protecting the Contract from disclosure.

Enclosed are the following:

- (1) A true and correct copy of the original Contract in a sealed envelope marked "CONFIDENTIAL." Each page of the Contract is also marked "CONFIDENTIAL."
- (2) Ten (10) copies of a redacted copy of the Contract for filing and public disclosure.

By copy of this letter, we are providing the South Carolina Office of Regulatory Staff ("ORS") with a redacted copy of the Contract for its records. Additionally, SCE&G will make the original, unredacted copy of the Contract available to ORS for its review.

Thank you for your assistance and consideration of this matter. If you have any questions, please do not hesitate to contact us at your convenience.

Very truly yours,



Matthew W. Gissendanner

MWG/mcs
Enclosure

cc: Jeffrey M. Nelson, Esquire
John Flitter
Leigh Ford
(via hand delivery)

ORIGINAL

South Carolina Electric & Gas Company
CONTRACT FOR ELECTRIC SERVICE

SB
This original
to be returned
to SCE&G Company

Effective Date: March 12, 2014 Contract No.: E3114018

THE PARTIES HEREIN NAMED AGREE TO THE FOLLOWING

Customer's Legal Name: Recleim-SC, LLC
D/B/A: Recleim
Premises Served:
Service Address: 118 Hard Street, Graniteville SC 29829
Billing Address: P O Box 598, Graniteville SC 29829-0598
Initial Term Ends: 10 Years from Service Date; Service Date: See Exhibit "A"
Minimum Notice of Termination: 12 Months.
Supply: 12 kV Service Method: Company Owned Padmount Transformer
Delivery: 277/480 Volts, Three (3) Phase, Four (4) Wire, Wye Connected
Point of Service: Low Side of Company Owned Padmount Transformer
Metered Voltage: 480 Volts; Meter Location: On Transformer
Billing Rate: 9 Contract Demand: N/A Maximum Capacity: 2,500 KVA
Build-up Period: 6 months following the date Company makes service available to Customer under this Contract SIC: 5093 NAICS: 423930

Special Provisions/Extra Facilities/Explanations: (Acct. No. 6-2100-9660-9442) attached Exhibit "A", which is incorporated herein by reference. The purpose of this Contract is to establish electric service to New Customer.

This contract incorporates all general, standard, and special terms hereafter or incorporated by reference, and supersedes all previous oral or written agreements/contracts covering the same service.

RECLEIM-SC, LLC

By: 

Print: Douglas C. Hoff

Title: General Manager

SOUTH CAROLINA ELECTRIC & GAS COMPANY

By: 

Print: Daniel F. Kassis

Title: Vice President, Customer Service & Renewables

CLP # E3114018

RCVD

EXHIBIT "A"

Contract for Electric Service between SCE&G and Recleim-SC, LLC
118 Hard Street, Graniteville SC 29829

I. GENERAL

This Contract is being executed between South Carolina Electric & Gas Company ("Company") and Recleim-SC, LLC, Inc. ("Customer") for and on behalf of themselves, their successors and assigns, and supersedes all other previous oral or written contracts/agreements covering the same services.

All provisions of the Company's General Service Rate 9 are incorporated herein by reference and are a part of this Contract For Electric Service ("Contract") unless expressly deleted or modified herein.

II. SPECIAL CONDITIONS

Contract Rate

Beginning with the Service Date of this Contract For Electric Service, as defined below, and extending for the first five (5) Contract Years of the ten (10) year Initial Term, Customer will be billed according to a Contract Rate consisting of: 1) a Basic Facilities Charge; 2) an Energy Charge; 3) a Demand Charge; and [REDACTED] as follows:


- 1) Basic Facilities Charge: The Basic Facilities Charge shall be the Basic Facilities Charge included in General Service Rate 9 (Rate 9), in effect at the time of billing.
- 2) Energy Charge: The Customer's Energy Charge shall be determined by applying the Energy Charge per kWh in the Company's Rate 9, in effect at the time of billing, to the billing kWh as measured by the Company.
- 3) Demand Charge: The Customer's Demand Charge shall be Demand Charge in the Company's Rate 9, in effect at the time of billing, applied to the Billing Demand kVA as determined by the Company.

[REDACTED]

[REDACTED]

[REDACTED]

Approval Initials


For Customer

PFK

For Company

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

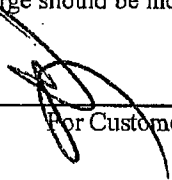
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]

[REDACTED]

Annual Minimum Consumption

Beginning twelve calendar months after the Service Date and continuing annually thereafter, the annual minimum consumption for service under this Contract shall be [REDACTED]. This calculation shall be made on the 12-month anniversary of the Service Date and shall continue annually thereafter. If the actual consumption for any Contract Year is less than the annual minimum consumption, then an additional Energy Charge will be assessed to Customer for the deficient usage. This additional Energy Charge should be included on the last invoice for the relevant year or may appear in the following monthly invoice.

Approval Initials



For Customer

PFK

For Company

Annual Consumption Termination Charge

Should Customer terminate this contract and disconnect service for any reason, either during the initial term or any extension thereof unless waived as provided for herein, Customer shall pay to the Company an annual consumption termination charge equal to the annual minimum consumption described herein times the Rate 9 energy charge rate in effect at the time of termination times the prorated number of years remaining in the contract period. The Annual Minimum Termination Charge described in this Section is in addition to any and all other termination charges provided for in this Contract.


Regulatory Approval

The Customer agrees to support the Company in its request to the Public Service Commission of South Carolina ("Commission") to protect the confidential information contained within the Contract. This Contract is subject to the approval of the Commission, and any and all provisions herein are subject to change by order(s) of the Commission and the Customer agrees to support the Company in its request to the Commission seeking approval of the Contract.

Confidentiality

Company and Customer hereby agree to keep the terms of this Contract confidential. Neither party shall disclose directly or indirectly without the prior written consent of the other party the terms of this Contract to a third party except (i) in order to comply with any applicable law, order, regulation, or exchange rule; (ii) to the extent necessary for the enforcement of this Contract; or (iii) to its employees, lenders, counsel, accountants and other agents on a need-to-know basis for the analysis of business issues related to this Contract, provided such persons shall have agreed to keep such terms confidential. The existence of this Contract is not confidential.

Approval Initials



For Customer

DFK

For Company

STANDARD CONDITIONS

Supply and Use: Company agrees to sell and Customer agrees to buy from Company all purchased electric energy, capacity, related transmission services and any related distribution services required by Customer for use on its premises covered hereunder. Resale by Customer of energy, capacity, related transmission or related distribution services is not permitted.

Creditworthiness: Company, in order to satisfy itself of the ability of the Customer to meet its obligations under the contract may conduct periodic reasonable credit reviews in accordance with standard commercial practices. Customer agrees to assist in these reviews by providing financial information and at the request of the Company, will maintain such credit support or surety including but not limited to, an unconditional and irrevocable letter of credit to provide adequate security for protection against the risk of nonpayment.

Service Application, Deposit and Release: Prior to receiving service, Customer or its Agent must: (a) Ensure that an application for service is made to Company, either in person at one of Company's commercial offices or through the Company representative coordinating the service arrangements; (b) Post a service deposit with Company (as determined by Company in accordance with S.C. Public Service Commission regulations), unless waived by Company in favor of other satisfactory assurance for payment of bills; and (c) Ensure that any inspections required by governmental authorities having jurisdiction are completed and notice thereof is given to the Company.

Commencement of New Service: Company and Customer shall make every reasonable effort to have their respective facilities ready for service by the **Service Date** stated on Page 1. If conditions should change, the affected party shall immediately notify the other.

Assignment: Neither Party shall assign this Agreement or its rights hereunder without the prior written consent of the other Party, which consent may be withheld in the exercise of its sole discretion.

Term: This Contract shall commence on the **Effective Date** (the date on which this contract is fully executed) and shall continue for the full **Initial Term**, unless an early termination is mutually agreed upon. Thereafter, it will extend automatically until terminated by either party giving the other a written **Minimum Termination Notice**. Billing for service rendered hereunder shall commence on the **Service Date** (the date customer contracts for service under the tariff applicable to this contract) or the date that service is first made available, whichever is later, or in accordance with terms stated under **Special Provisions**.

Termination: Should Customer terminate this contract and disconnect service for any reason, either during the initial term or any extension thereof unless waived as provided for herein, Customer shall pay to the Company a facilities termination charge equal to (a) the total installed cost of facilities dedicated solely for serving Customer, (b) less any Customer contribution to construction, (c) less accumulated depreciation of the facilities funded by Company, (d) less salvage value of all facilities dedicated solely for serving Customer, (e) plus the cost of removal (including any associated environmental investigation/remediation costs related to a spill or release of hazardous substances caused by Customer or those paid or incurred by the Company which were not the result of negligence on the part of the Company), all as determined by Company in accordance with its standard accounting practices; provided, however, that the termination charge shall not be less than zero. Customers who terminate prior to the expiration of the initial term or any extension thereof may also be required to pay to Company a demand termination charge equal to 90% of the maximum demand set during the term times the demand rate in effect at the time of termination times the number of months remaining in the contract period.

Approval Initials


For Customer

DFK
For Company

Company may waive a portion or all of the termination charges where (1) a successor contract is executed prior to termination of this Contract, or (2) Customer is able to furnish Company with satisfactory evidence that a successor customer will occupy the premises within a reasonable time and contract for substantially the same service facilities. If deregulation should occur during the term of this contract, the above demand termination charge, after deregulation, will be determined by appropriate governing authority(ies) rules at that time. The termination charges above shall not preclude additional termination charges approved by the SCPSC or imposed by law.

Impaired Service: Customer shall be responsible for installing and maintaining on its system such protective equipment as necessary for protecting its equipment from single phase conditions, momentary interruptions or voltage fluctuations arising from conditions on its system or from Company's supply lines. Customer shall not operate its equipment of such nature and in such manner as to impose voltage flicker, surges, or harmonics on Company's system that adversely affects the Company's system or its service to other Customers. Adverse conditions verifiable as of Customer origin shall be corrected promptly by Customer or upon Notice Company may discontinue service until the conditions are corrected. Customer agrees to keep Company equipment unencumbered and accessible at all times.

Load Increase: If Customer contemplates a load increase which may exceed the **Maximum Capacity** stated on Page 1, Customer shall give Company written notice of planned increase, with sufficient lead time for Company to enlarge its facilities. In such cases this Contract may be amended by mutual consent of the parties to reflect any changes in the service characteristics, applicable charges or conditions of service.

Facility Relocation: Should Customer request Company to relocate any of its facilities, or take any action which will require Company to relocate its facilities, Customer shall reimburse Company for the costs incurred.

Hold Harmless: Company and Customer do respectively assume full responsibility for the maintenance and operation of the facilities owned and/or operated by each, and each shall indemnify and except as hereafter limited, shall hold the other harmless from any loss resulting from bodily injury (including death) or damage of property arising directly or indirectly out of any negligent or willful act or failure to act on the indemnitor's part in the installation, maintenance, operation, replacement and/or removal of the facilities owned and operated by each. Neither party shall be liable to the other in any event, whether in contract, tort or otherwise, for any loss of revenue, profits, use of production, costs of capital or purchased or replacement power, interest, business interruption, claims of customers or any other incidental, indirect or consequential damages of any nature whatsoever. Customer(s) acknowledge(s) the presence of overhead and/or underground power lines and understands that contact with them could cause serious injury or death.

South Carolina Public Service Commission: This Contract, the **Billing Rate** referenced on Page 1, and all services rendered hereunder, are subject to the Company's "General Terms and Conditions" as approved by the Commission, and to the "Rules and Regulations" of the Commission, as the foregoing now exist or may be amended in the manner prescribed by law. The billing Rate and General Terms and Conditions are attached and made a part hereof; Rules and Regulations are made a part by reference and are available upon request. This contract is specifically intended to survive deregulation or retail access.

Bold Print Terms: Bold Print terms reference the corresponding completed blanks on Page 1.

Approval Initials

For Customer

DFK

For Company